

By Meier
Meier

S.J.R. No. 55

~~SENATE~~ JOINT RESOLUTION

1 proposing an amendment to Article III, Constitution of the State
2 of Texas, to provide that the Legislature may permit political
3 subdivisions ^{issue revenue bonds to} to develop employment opportunities.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 Section 1. That Article III, Constitution of the State of
6 Texas, be amended by adding Section 52a, to read as follows:

7 "Section 52a. Political subdivisions of this state are
8 empowered to develop employment opportunities for its citizens
9 through the issuance of obligations payable solely from revenues
10 derived from the lease or sale to others of facilities (land,
11 equipment, and improvements) under such terms and conditions as the
12 Legislature may prescribe; provided that such facilities are found
13 by the governing body of such political subdivision to be
14 required to develop employment opportunities.

15 "No facilities acquired hereunder shall be exempt from ad
16 valorem taxes unless used exclusively by the political subdivision
17 nor shall any revenues from the utilization of facilities so
18 acquired be utilized for purposes other than the retirement of
19 obligations issued while the same are outstanding.

20 "This provision shall be effective notwithstanding other
21 provisions of this constitution. Any law adopted shall not be
22 void because of its anticipatory nature."

23 Sec. 2. The foregoing constitutional amendment shall be
24 submitted to a vote of the qualified electors of this state at an
25 election to be held on the first Tuesday after the first Monday
26 in November, 1978, at which election the ballots shall be printed
27 to provide for voting for or against the proposition: "The

S.J.R. No. 55

1 constitutional amendment to provide that the Legislature may permit
2 political subdivisions to develop employment opportunities for its
3 citizens.

issue revenue bonds to

am. # (1)

Austin, Texas

April 20

1977

Honorable William P. Hobby
President of the Senate

INTERGOVERNMENTAL RELATIONS

to which was referred

the bill, H. B. 1000, and I am instructed to report it back to the Senate

and be printed.

W. F. S.

A MAJORITY OF THE COMMITTEE MEMBERS TO SIGN

BILL ANALYSIS

S.J.R. 55

BY Meier

General: This joint resolution authorizes the Legislature to permit political subdivisions to develop employment opportunities.

Section-by-Section:

Section 1. This section amends Article III, Constitution of the State of Texas, by adding Section 52a, which empowers political subdivisions of this state to develop employment opportunities for its citizens under terms prescribed by the Legislature. It further describes the ad valorem taxes and revenues.

Section 2. This section provides for the amendment to be submitted to a vote in November, 1978, and provides for its printing on the ballot.

LEGISLATIVE BUDGET BOARD

Austin, Texas

MAR 28 1977

FISCAL NOTE

March 28, 1977

Honorable W.E. Snelson, Chairman
Committee on Intergovernmental Relations
Senate Chamber
Austin, Texas

In Re: Senate Joint Resolution No. 55
By: Meier

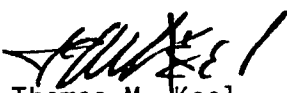
Sir:

In response to your request pursuant to Senate Rule 94, subsection (g), this office finds the fiscal implications of Senate Joint Resolution No. 55 (proposing an amendment to the Texas Constitution to provide that the Legislature may permit political subdivisions to develop employment opportunities) to be as follows:

The resolution would make no appropriation but would constitute prior legislative authorization for an appropriative request.

The cost of publication prior to election is estimated at \$25,000 in fiscal year 1979.

Although local government finances might be influenced by the results attained from the issuance of revenue bonds under the authority of this resolution, should it be approved and implemented, the revenue bonds themselves should not create an additional cost to the state or its political subdivisions.


Thomas M. Keel
Director

Source: Secretary of State; LBB Staff

Andujar

Amend <sup>Senate
Joint</sup> SJR 55, Section 2

by inserting in the wording of
the proposition ~~to~~ after the
words "subdivisions to" the
following: issue revenue
bonds to

ADOPTED

MAY 10 1977

Letty King
Secretary of the Senate

Amend the caption to conform to the
body of the bill

ADOPTED

MAY 10 1977


Secretary of the Senate

May 10 1977 Engrossed
Lacey Law
Engrossing Clerk

By: Meier

S.J.R. No. 55

SENATE JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, to provide that the legislature may permit political subdivisions to issue revenue bonds to develop employment opportunities.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III, Constitution of the State of Texas be amended by adding Section 52a, to read as follows:

"Section 52a. Political subdivisions of this state are empowered to develop employment opportunities for its citizens through the issuance of obligations payable solely from revenues derived from the lease or sale to others of facilities (land, equipment, and improvements) under such terms and conditions as the legislature may prescribe; provided that such facilities are found by the governing body of such political subdivision to be required to develop employment opportunities.

"No facilities acquired hereunder shall be exempt from ad valorem taxes unless used exclusively by the political subdivision nor shall any revenues from the utilization of facilities so acquired be utilized for purposes other than the retirement of obligations issued while the same are outstanding.

"This provision shall be effective notwithstanding other provisions of this constitution. Any law adopted shall not be void because of its anticipatory nature."

Sec. 2. The foregoing constitutional amendment shall be

S.J.R. No. 55

1 submitted to a vote of the qualified electors of this state at an
2 election to be held on the first Tuesday after the first Monday in
3 November, 1978, at which election the ballots shall be printed to
4 provide for voting for or against the proposition: "The
5 constitutional amendment to provide that the legislature may permit
6 political subdivisions to issue revenue bonds to develop employment
7 opportunities for its citizens."

COMMITTEE REPORT

The Honorable Bill Clayton
Speaker of the House of Representatives

5/11/77
(date)

Sir:

We, your COMMITTEE ON CONSTITUTIONAL AMENDMENTS, to whom was referred S.J.R. 55
have had the same under consideration and beg to report back with the recommendation that it (measure)

- (☒) do pass, without amendment.
() do pass, with amendment(s).
() do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested on 5/11/77 and is attached as part of this report.
(date)

~~Author's fiscal statement attached.~~

~~The Committee recommends that this measure be placed on the (Local / Consent) Calendar.~~

This measure (☒) proposes new law.
() amends existing law.

House Sponsor of Senate Measure CRADDICK

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Von Dohlen	✓			
Jones	✓			
Bryant	✓			
Clark, B.	✓			
Close	✓			
Hendricks	✓			
Johnson	✓			
Robbins	✓			
Schieffer				✓

Total:
8 aye
0 nay
0 present, not voting
1 absent

Tri Von Dohlen
CHAIRMAN
Ryanolds
COMMITTEE COORDINATOR

BILL ANALYSIS

Background Information

Article 3, Section 52(a) of the Constitution generally prohibits the legislature from authorizing a political subdivision to lend its credit or grant public money or aid to individuals, associations, or corporations.

Section 52(b) permits the legislature to authorize political subdivisions to issue revenue bonds for specified purposes; to wit, the improvement of waterways, the construction and maintenance of pools, lakes, reservoirs, and dams, and the construction, maintenance and operation of roads and turnpikes.

This resolution will allow the legislature to authorize political subdivisions to issue revenue bonds for industrial and rural development purposes. Forty-six other states allow the issuance of industrial revenue bonds.

The Texas Industrial Commission estimates that Texas has lost 40 new companies and 9,000 new jobs over the last 6 years because Texas is not competitive with other states in terms of industrial financing. Companies wishing to locate in the South look at Texas but often settle in Louisiana or Oklahoma where industrial revenue bonds are available.

Enabling legislation has been introduced which is contingent on passage and adoption of S.J.R. 55.

Purpose of the Resolution

To amend the Constitution to provide the legislature power to authorize political subdivisions to issue revenue bonds to develop employment opportunities for their citizens.

Section-by-section Analysis

Section 1. (a) Adds a new section 52(a) to Article III which authorizes political subdivisions to issue revenue bonds to develop employment opportunities for their citizens subject to terms and conditions prescribed by the legislature.

(b) Further provides that:

- (1) Property acquired from the proceeds of bonds is subject to ad valorem taxation; and
- (2) Revenues from utilization of property acquired shall be used solely to retire the outstanding obligations.

Section 2. Provides that the constitutional amendment be submitted to the voters at the general election held on the first Tuesday after the first Monday in November, 1978.

Summary of Committee Action

Pursuant to notice announced in accordance with Rule V, Section 14, the committee considered S.J.R. 55, the companion to H.J.R. 101 previously considered by the committee in public hearing. The committee voted to report the resolution favorably to the House by a vote of 8 ayes and no nays.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

May 11, 1977

Honorable Tim Von Dohlen, Chairman
Committee on Constitutional Amendments
House of Representatives
Austin, Texas

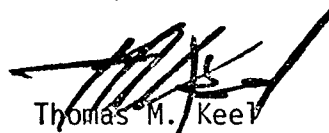
In Re: Senate Joint Resolution No. 55,
as Engrossed
By: Meier

Sir:

In response to your request pursuant to House Rule V, Section 28, this office finds the fiscal implications of Senate Joint Resolution No. 55, as Engrossed (proposing an amendment to the Texas Constitution to provide that the Legislature may permit political subdivisions to issue revenue bonds to develop employment opportunities) to be as follows:

The Resolution would make no appropriation but would constitute prior legislative authorization for an appropriative request. The cost of publication prior to election is estimated at \$25,000 in fiscal year 1979.

Although local government finances might be influenced by the results attained from the issuance of revenue bonds under the authority of this Resolution, should it be approved and implemented, the revenue bonds themselves should not create an additional cost to the State or its political subdivisions.


Thomas M. Keel
Director

Source: Secretary of State; LBB staff

Enrolled *May 13, 1977*
Patsy Spaw
Enrolling Clerk

S.J.R. No. 55

SENATE JOINT RESOLUTION

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7 opportunities for its citizens."

46
S.J.R. No. 55

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 55 was adopted by the senate on May 10, 1977, by the following vote: Yeas 25, Nays 6.

Secretary of the Senate

I hereby certify that S.J.R. No. 55 was adopted by the house on May 12, 1977, by the following vote: Yeas 117, Nays 12, seven present not voting.

Chief Clerk of the House

Approved:

Date

Governor

S. J. R. No. 55

By Meier
Meier

proposing an amendment to Article III, Constitution of the State of Texas, to provide that the Legislature may permit political subdivisions to develop employment opportunities.

MAY 10 1977

Received from
the Senate

3-11-77

Filed with the Secretary of the Senate

MAY 14 1977
APR 20 1977

Read, referred to Committee on INTERGOVERNMENTAL RELATIONS

Reported favorably. as amended

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed.

MAY 10 1977

Senate and Constitutional Rules to permit consideration suspended by

unanimous consent.

24 yeas, 6 nays.

To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of _____ yeas, _____ nays.

MAY 10 1977

Read second time amended and ordered engrossed.
passed to third reading.

MAY 10 1977

Caption ordered amended to conform to body of bill.

MAY 10 1977

Senate and Constitutional 3-Day Rules suspended by vote of 24 yeas, 6 nays to place bill on third reading and final passage.

MAY 10 1977

Read third time and passed by a viva voce vote.
25 yeas, 6 nays.

OTHER ACTION:

Betty King

Secretary of the Senate

READ 1st TIME
AND REFERRED TO COMMITTEE ON

MAY 10 1977

Constitutional Amendments

MAY 11 1977

Favorably
Reported Unfavorably (As Amended), Sent to Printer 9:45pm

MAY 11 1977

Printed And Distributed 11:41pm

MAY 12 1977

Sent To Committee On Calendars 8:39am

DATE MAY 12 1977

READ AND ADOPTED

CHIEF CLERK
HOUSE OF REPRESENTATIVES

Betty Murrey
by record vote
117 yeas 12 nays 7pm

MAY 13 1977

RETURNED TO SENATE

MAY 13 1977 RETURNED

FROM HOUSE

May 10, 1977

Engrossed

May 10, 1977

Sent to HOUSE

Patsy Spaw

ENGROSSING CLERK

1977 MAY 11 PM 11:41

HOUSE OF REPRESENTATIVES